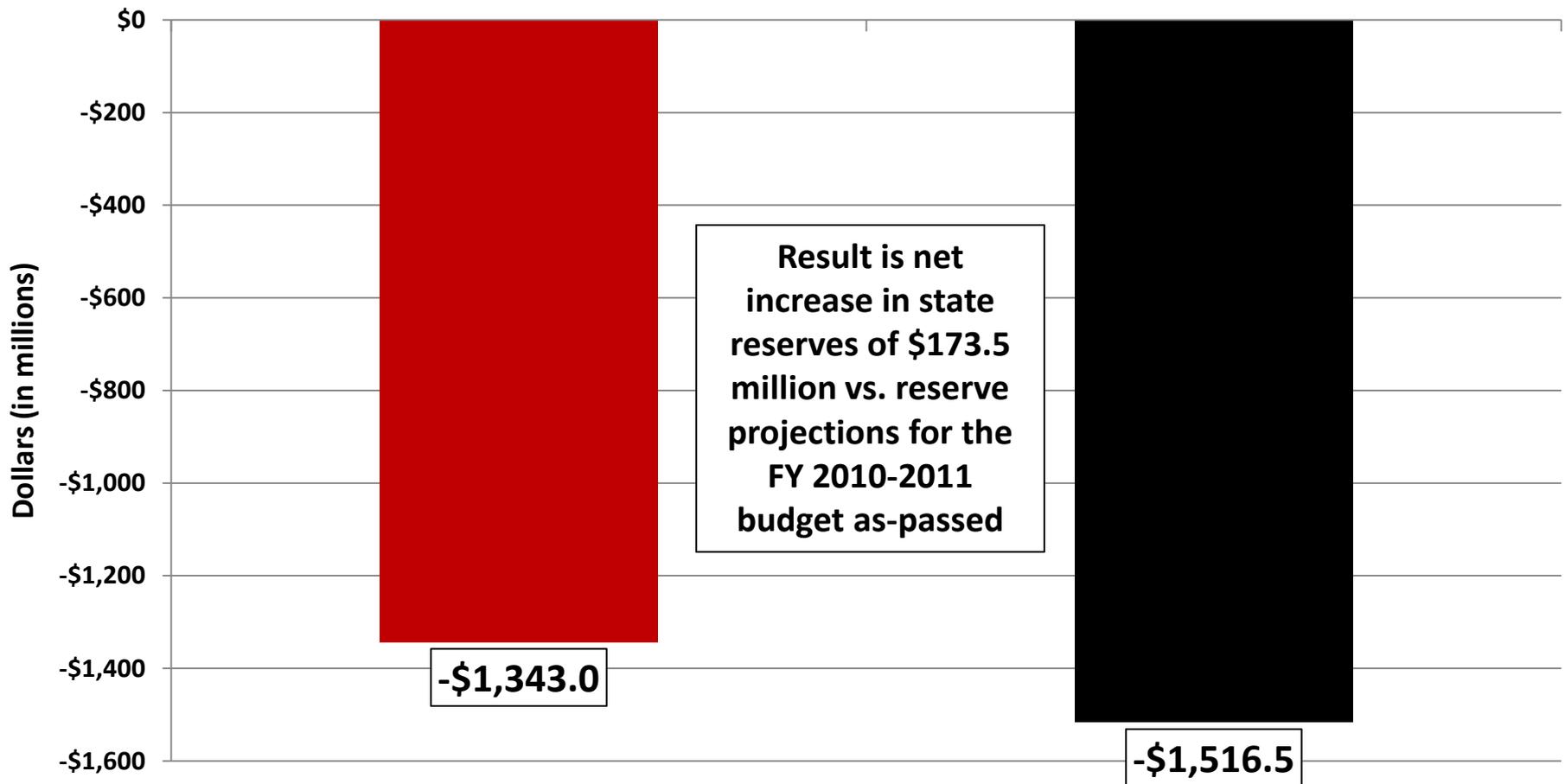


Spending Reductions More Than Offset Unexpected Steep Decline in State Revenues

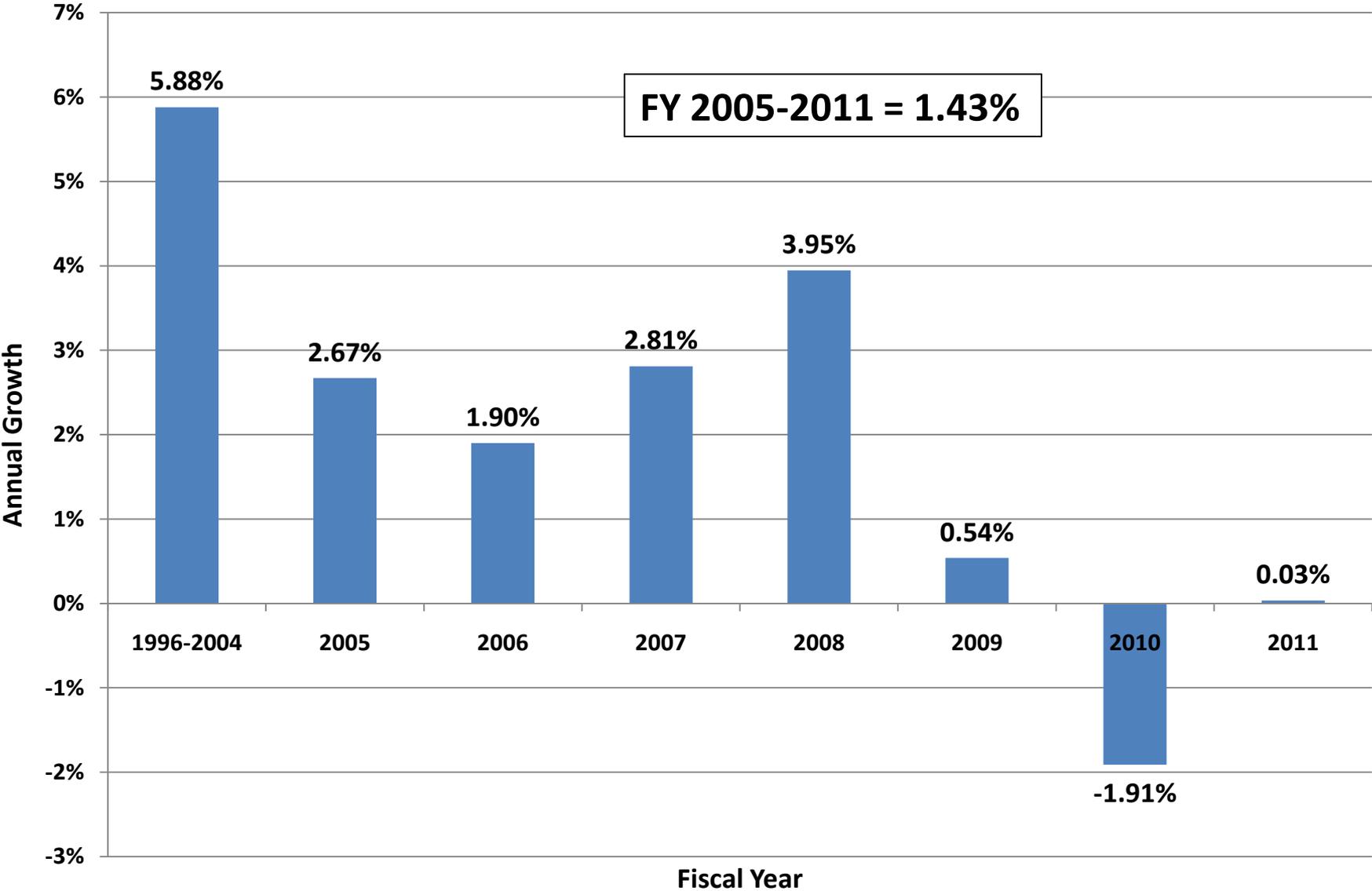
Biennial Revenue Shortfall vs. May 2009
Forecast (Budget Plan)

Biennial Spending Reductions Since June
2009 Budget Passage

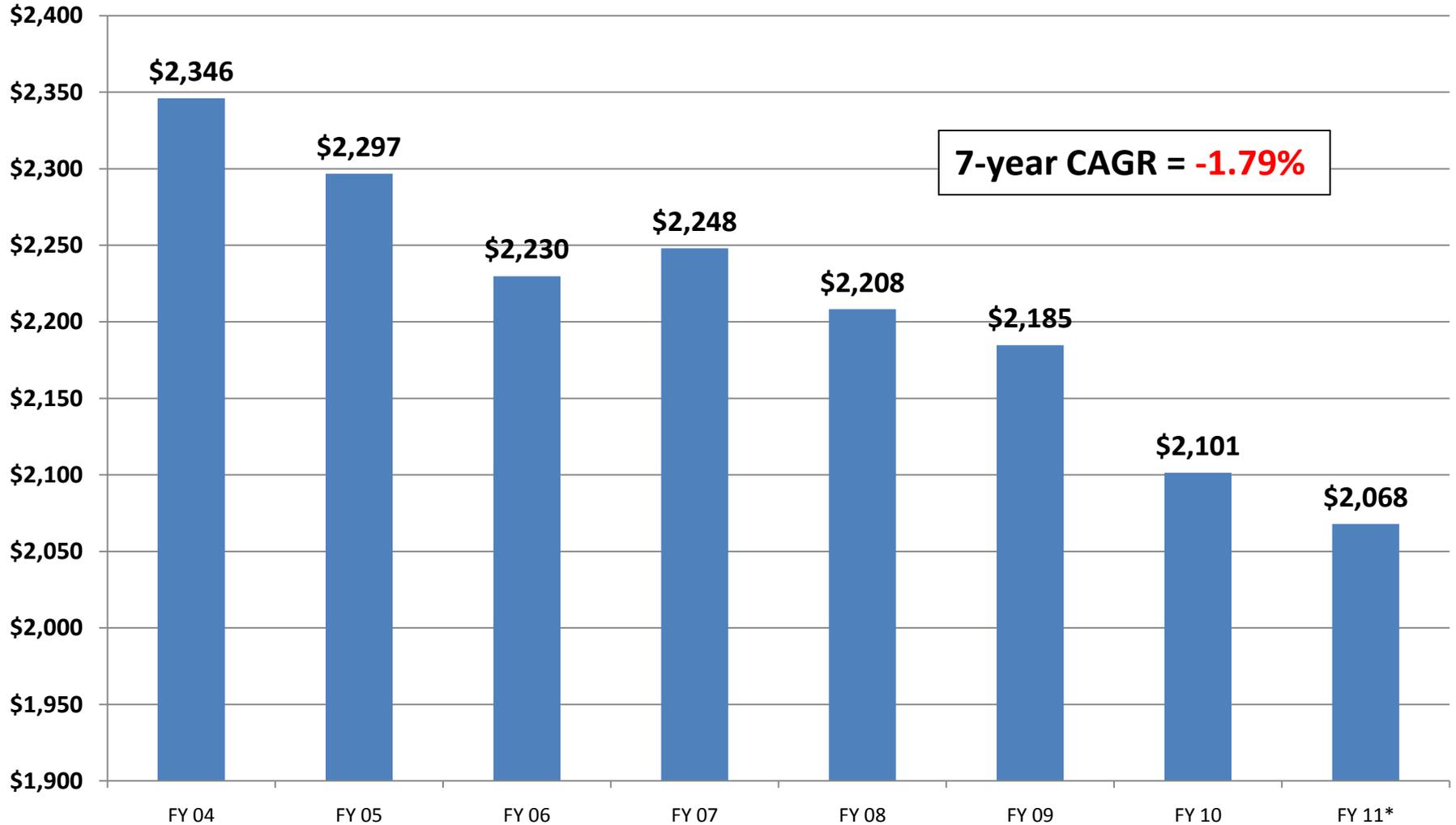


* FY 2011 reserve projections totaled \$1,008 million at the time the FY 2010-2011 budget was passed

Annual Expenditure Growth



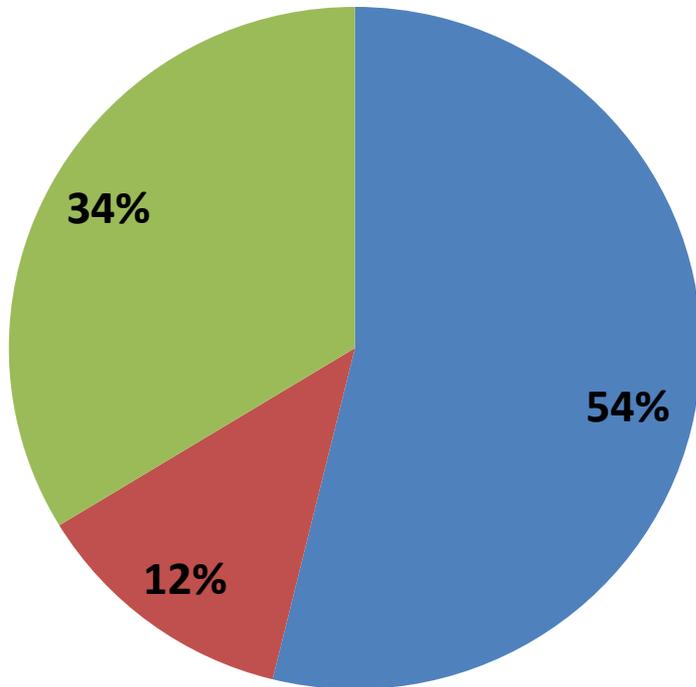
Per Capita State Expenditures Adjusted for Inflation



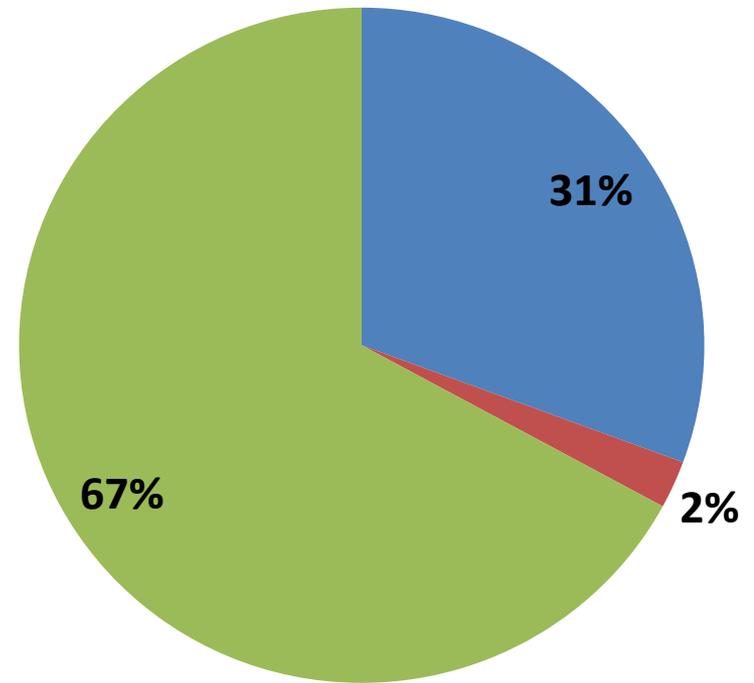
* Estimated

FY 2011 General Fund Appropriations and Reversions

Appropriations



Reversions

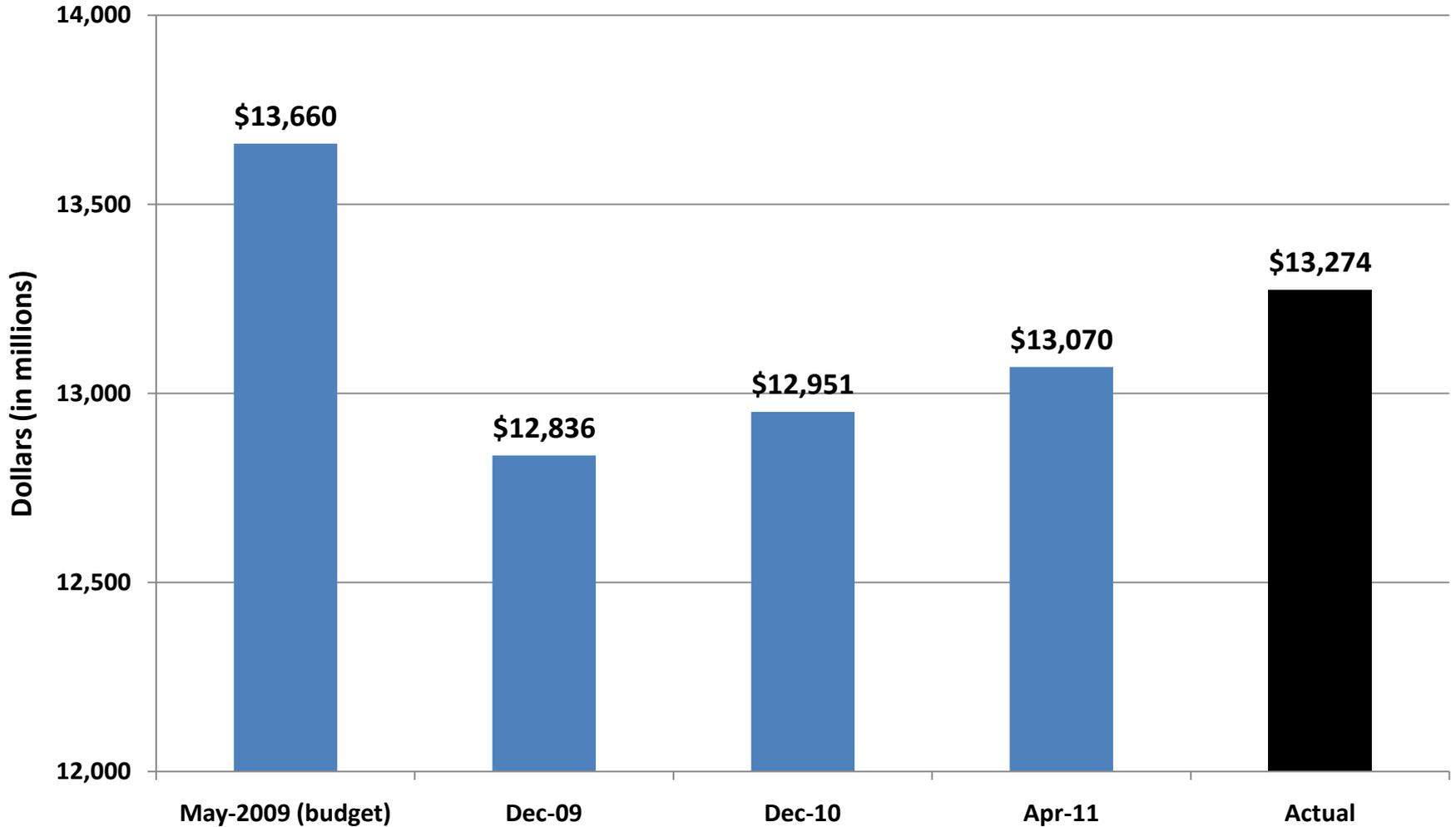


■ K-12 Education

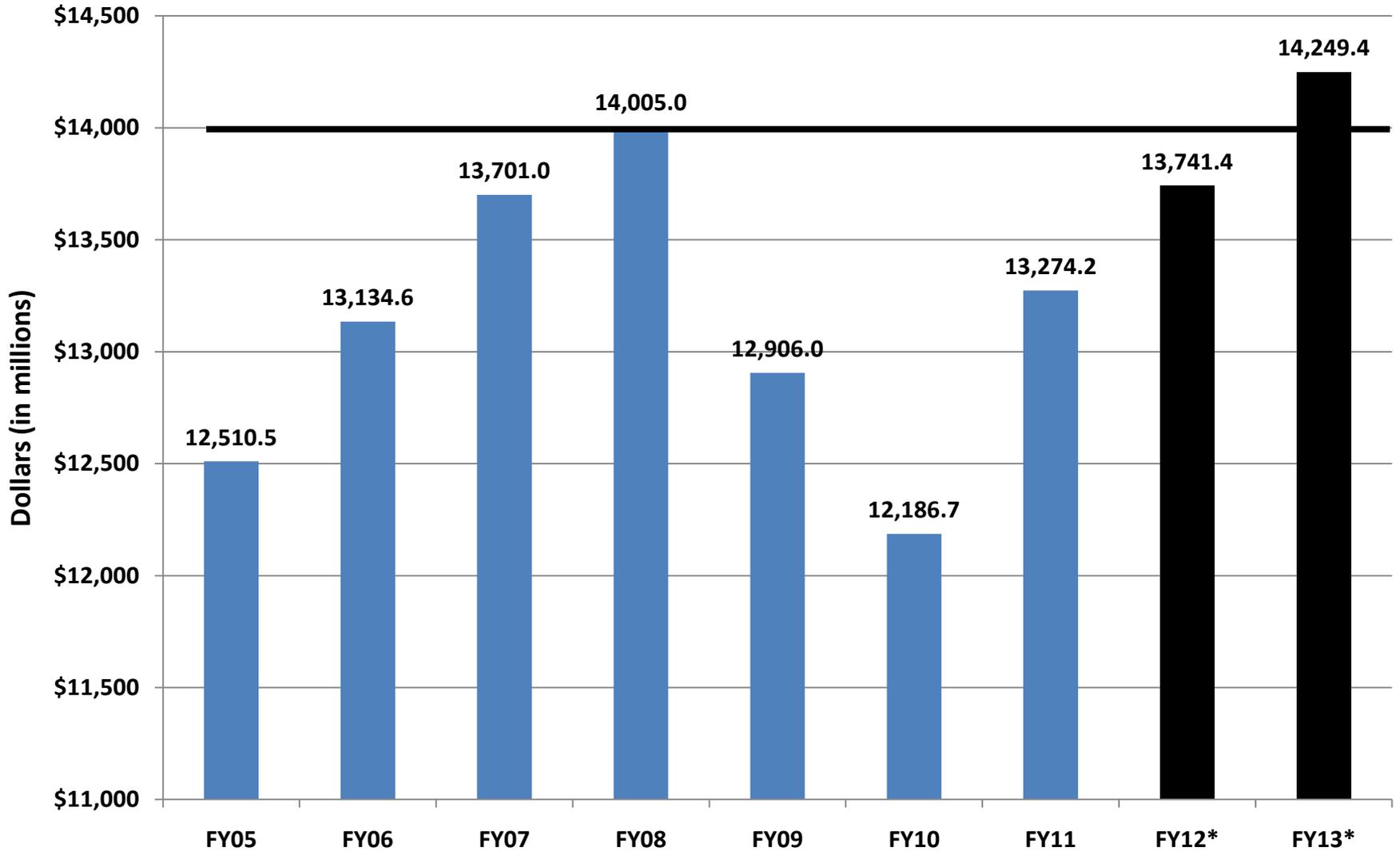
■ Higher Education

■ State Agencies & Other Branches*

FY 2011 State Revenue Forecasts and Actual Collections



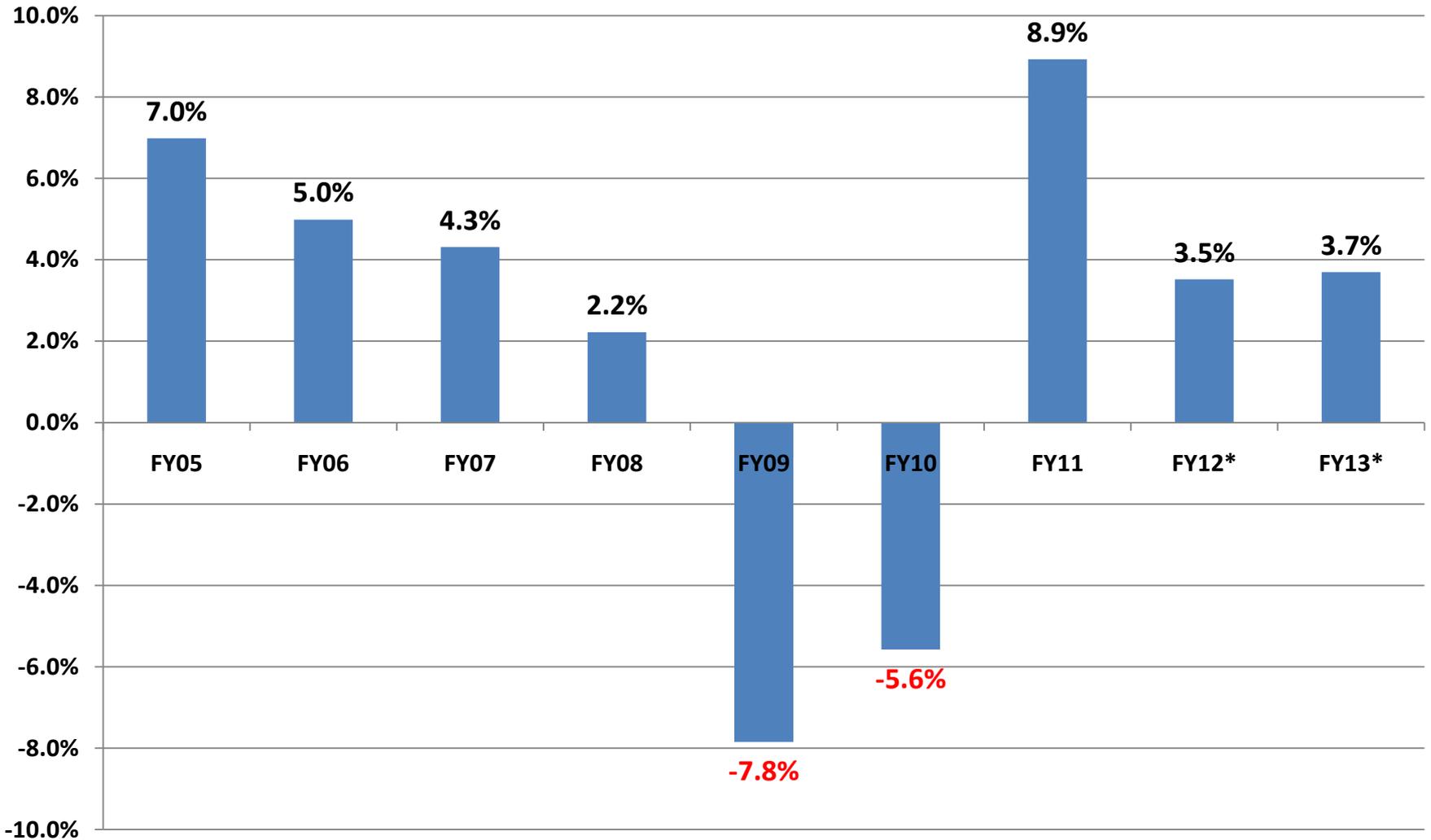
General Fund Revenues



* Projected

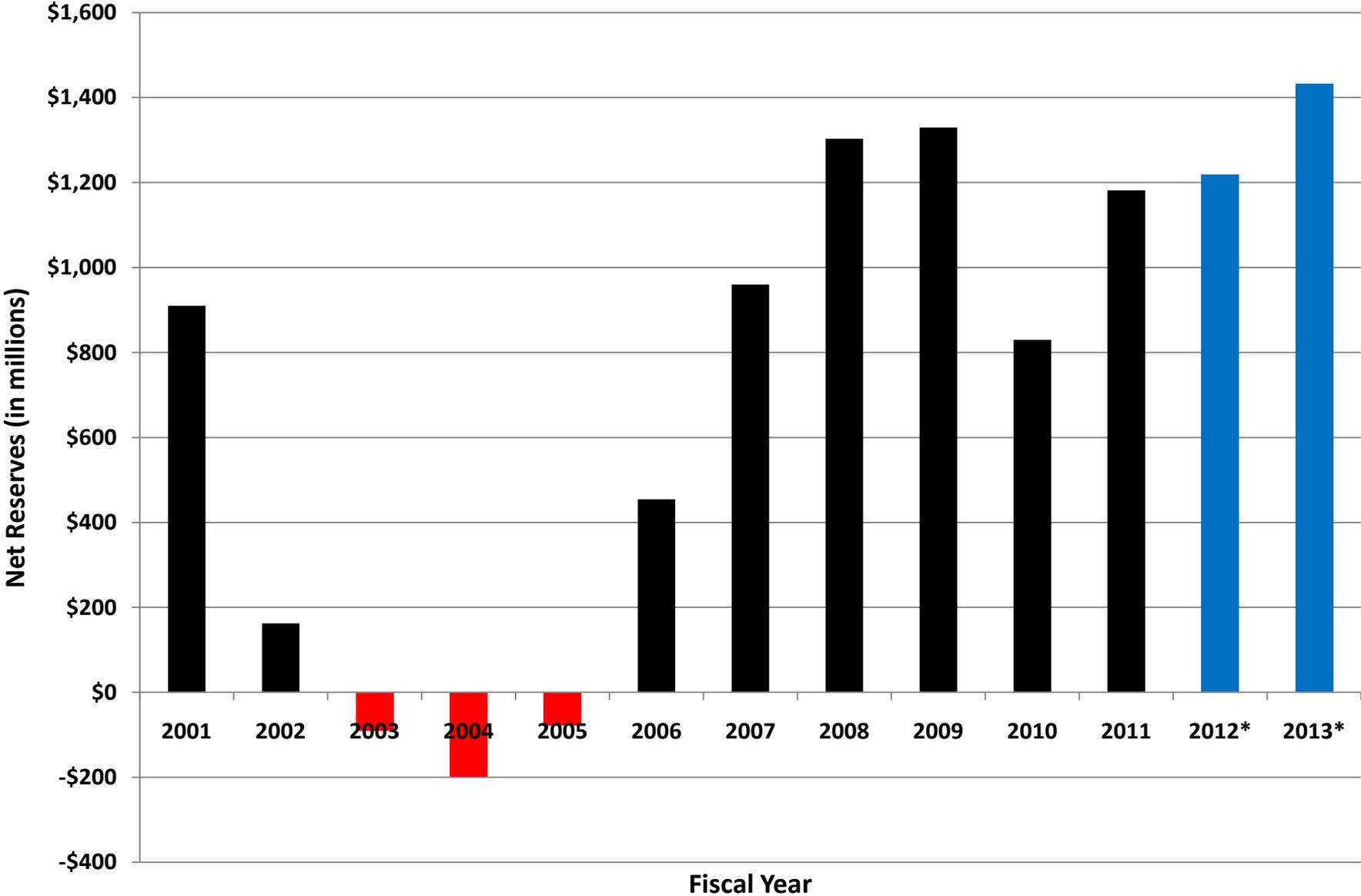
% Change in General Fund Revenues

(Year-over-year)



* Projected

State Reserves (Cash balance - liabilities)



* Projected